



**EFFECT OF MACROECONOMICS VARIABLES ON STOCK
PRICES IN BURSA MALAYSIA**

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WITH HONOURS (FINANCE)

FACULTY OF BUSINESS MANAGEMENT

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DECLARATION OF ORIGINAL WORK



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We hereby declare that:

(1) This undergraduate research project is the end result of our own work and that due acknowledgment has been given in the references to ALL sources of information be they printed, electronic, or personal.

(2) No portion of this research project has been submitted in support of any application for any other degree or qualification of this or any other university, or other institutes of learning.

(3) Equal contribution has been made by each group member in completing the research project.

Signature:_____

Date:

Signature:_____

Date:

ABSTRACT

This study examined the impact of selected macroeconomic variables on the performance of Malaysia stock market over the study period from year 1992 to 2017. The selected macroeconomic variables are interest rate, exchange rate, inflation rate, money supply and oil price. This study applied Ordinary Least Square method (OLS) to determine the effect of selective variables on stock market performance by using 100 quarterly data observations. The empirical results suggest that exchange rate and oil price has statistically significant positive effect on Malaysia stock market performance while interest rate and money supply has statistically significant negative effect on Malaysia stock market performance. However, inflation is found out to be insignificant in determining the stock market performance of Malaysia.

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